



Brownfields Cleanup Revolving Loan Fund Pilot

Saginaw County Brownfields Redevelopment Authority, MI

Outreach and Special Projects Staff (5105)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$250,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, brownfields cleanup revolving loan fund (BCRLF) programs (each funded up to \$1,000,000 over five years), to provide financial assistance for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

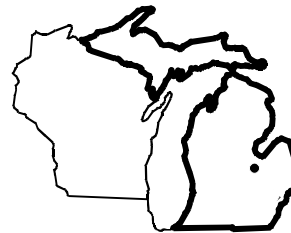
Saginaw County is located approximately 100 miles north of Detroit at the northern end of Michigan's industrial corridor. The automobile industry historically has dominated the County's economy. Although other industries in the area including forestry, agriculture, oil, and coal have been important, a decline in manufacturing over the past thirty years has caused many businesses in the county to close or relocate. The resulting economic distress has been severe. The County's urban center, the City of Saginaw, has one of the highest poverty rates in the United States at 31.7%. Unemployment rates also run into the double digits. As a result, the City has been designated as a Renaissance Zone.

Remnants of the County's industrial past are principally found in Saginaw City and along the highly contaminated Saginaw River. More than 800 abandoned and vacant lots have reverted to City or State ownership, and over 200 brownfields sites have been identified.

BCRLF OBJECTIVES

The Saginaw County BCRLF will be used to provide needed "gap" financing for environmental cleanup. The

PILOT SNAPSHOT



Saginaw County, Michigan

Date of Announcement:
April 2001

Amount: \$1.0 million

BCRLF Target Area:
Sites throughout Saginaw County

Contacts:

Brownfields Program Manager
Saginaw County Controller
(517) 790-5200

Region 5 Brownfields
Coordinator
(312) 886-3058

Visit the EPA Region 5 Brownfields web site at:
www.epa.gov/R5Brownfields

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
www.epa.gov/brownfields

BCRLF program will complement the County's Brownfields Redevelopment Authority (BRA), created under state authority, to help clean up and develop contaminated sites.

Several sites have been identified as potential BCRLF loan recipients. These include a vacant agricultural elevator facility, an abandoned riverfront steel recycling facility, and a former soap manufacturing building. All sites are contaminated and in need of cleanup funding.

FUND STRUCTURE AND OPERATIONS

The Saginaw County BRA will serve as the lead agency and site manager. The County Treasurer's office will serve as fund manager. The size of the individual loans will depend on the extent to which a cleanup funding "gap" exists. The proposed interest rate is 4%. Generally, projects are anticipated to have a loan term of less than ten years.

LEVERAGING OTHER RESOURCES

A variety of state and federal funding sources are available to complement the Saginaw County BCRLF. The County is also in the process of identifying other available sources of funds from other federal agencies including the Economic Development Administration's brownfields program and the Department of Housing and Urban Development's Community Development Block Grant programs. At the state level, Michigan has several grant and loan programs that are specifically designed to assist brownfields cleanup efforts, including the Brownfields Redevelopment Site Reclamation Grant program and the Clean Michigan Initiatives program. Furthermore, the State provides tax incentives for brownfields redevelopment through Public Act 381, and the Michigan Single Business Tax Credit. The County of Saginaw will contribute office space, supplies and support, auditing, financial oversight, and security to the BCRLF program as needed.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
